

30950
EB

SERVICE DATE - APRIL 28, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-20966

GLOBAL PASSENGER SERVICES, L.L.C., ET AL.--CONTROL--DAVIS BUS LINES, INC.,
ET AL.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: Global Passenger Services, L.L.C. (Global), Student Transportation of America, Inc. (STA), and Travelways, Inc. (Travelways) (collectively, applicants), noncarriers, filed an application under 49 U.S.C. 14303 for Global to acquire indirect control and STA to acquire direct control of one motor passenger carrier, Davis Bus Lines, Inc. (Davis), and for Global to acquire indirect control and Travelways to acquire direct control of two motor passenger carriers, VIP Tours & Charters Sightseeing Corporation (VIP) and Coach America Corporation (CAC). Persons wishing to oppose the application must follow the rules at 49 CFR 1182.5 and 1182.8. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by June 12, 2000. Applicants may file a reply by June 27, 2000. If no comments are filed by June 12, 2000, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20966 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to applicants' representative: Mark J. Andrews, Barnes & Thornburg, 1401 Eye Street, N.W., Suite 500, Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 565-1600. [TDD for the hearing impaired: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: Global, a Delaware limited liability company, indirectly controls 16 motor passenger carriers and holds majority stock interest in STA and Travelways.¹ The

¹ See Global Passenger Services, L.L.C., et al.--Control--Gongaware Tours, Inc., et al., STB Docket No. MC-F-20954 (STB served Sept. 16, 1999, corrected decision served Sept. 20, 1999);
(continued...)

direct control of the 16 motor passenger carriers is divided between STA and Travelways, both Delaware corporations. STA controls the Global affiliates that provide primarily school bus service and Travelways controls the affiliates that provide primarily leisure transportation and intercity airport shuttle services, which is not involved here. Davis² will be added to the STA-controlled affiliates and VIP³ and CAC⁴ will be added to the Travelways-controlled affiliates. According to applicants, the acquisition of control of these three additional motor passenger carriers will permit a modest expansion of Global's service and client base in two markets that it already serves—school bus transportation in Pennsylvania and leisure transportation in southern California—without reducing competition in either market.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction we find consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

Applicants have submitted the information required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Specifically, applicants have shown that the proposed transaction will have a positive effect on the adequacy of transportation to the public and will result in no increase in fixed charges and no changes in employment. See 49 CFR 1182.2(a)(7). Additional information, including a copy of the application, may be obtained from applicants' representative.

On the basis of the application, we find that the proposed transaction is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding

¹(...continued)

and Global Passenger Services, L.L.C.--Control--Bortner Bus Company, et al., STB Docket No. MC-F-20924 (STB served July 17, 1998).

² Davis is a Pennsylvania corporation holding federally issued operating authority in MC-233595 to provide charter and special operations between points in the United States. It conducts limited charter and tour services which are incidental to its school transportation operation based in Pennsylvania, and which extend only to points in immediately adjacent States.

³ VIP is a Delaware corporation holding federally issued operating authority in MC-277612 to provide charter and special operations and contract carrier services between points in the United States. The actual operations of VIP and its predecessor company involve primarily vacation charters and organized tours beginning and ending in southern California and extending to points in California and immediately adjacent States.

⁴ CAC is a Delaware corporation holding federally issued operating authority in MC-330527 to provide charter and special operations between points in the United States. The operations of CAC and its predecessor company historically have resembled those of VIP.

will be deemed vacated and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The proposed acquisition of control is approved and authorized, subject to the filing of opposing comments.
2. If timely opposing comments are filed, the findings made in this decision will be deemed vacated.
3. This decision will be effective on June 12, 2000, unless timely opposing comments are filed.
4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration--HMCE-20, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20024; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Decided: April 20, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams
Secretary